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SIPDIS

STATE FOR AC/CB, NP/CBM, VC/CCB, L/ACV, IO/S SECDEF FOR OSD/ISP JOINT STAFF FOR DD PMA-A FOR WTC WINPAC FOR FOLEY COMMERCE FOR BIS (GOLDMAN) NSC FOR CHUPA

E.O. 12958: N/A TAGS: <u>PARM</u> <u>PREL</u> <u>CWC</u>

SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WRAP-UP FOR

9-13 JUNE

REF: NEW YORK 1306

This is CWC-66-03.

Summary

Topics:

- -- RevCon Reactions
- -- Budget Consultations
- -- ABAF
- -- Counter-terrorism Working Group
- -- Libya Inching Toward Ratification
- 11. There has been little commentary or discussion on the RevCon. However, in general, the RevCon exceeded expectations. Many delegations are eager to discuss how we will pursue RevCon follow-up.
- 12. Three rounds of budget consultations were held 11-13 June on Programs 3-6. The facilitator will hold one more round of consultations, on 1 July, to cover Program 7 (Administration) and any other outstanding issues. Consultations will then not resume until the end of August.
- ¶3. The ABAF session from 9-13 June was hampered by a number of issues: a preponderance of non-experts on the board; a draft budget document devoid of justifications, descriptions of real program activity, and 2003 actual figures; and a Technical Secretariat notetaker incapable of writing comprehensible English for the draft report.
- 14. The Counter-terrorism working group met 12 June to discuss whether the Action Plans for universality and Article VII implementation tasked by the RevCon might come under the purview of this group.
- 15. Libyan parliament has passed the necessary measures to allow Libya to join the CWC. The next step, according to the Libyan charge, is to send the paper work to the FM.

RevCon Reactions

- 16. Since the end of the First Review Conference (RevCon) there has been little commentary or discussion on the Conference. In general, the RevCon exceeded expectations. Many delegations came away with the sense that future work had been enshrined in the two agreed texts. They see the RevCon as an impetus to further action and as developing an overall action plan for the Organization.
- 17. Many delegations are eager to discuss how we will pursue RevCon follow-up and it will be a topic at next week's WEOG. DDG Brian Hawtin has told delegations that he would like to see one over-arching RevCon follow-up "Action Plan". Del has expressed concern that such an exercise might allow a couple delegations to hold hostage the two implementation-related action plans tasked by the RevCon review document: on universality and Article VII implementation.
- 18. Overall there has been no negative feedback on, only praise for, the RevCon in general as well as U.S. actions at the Conference.

Budget Consultations

19. The facilitator (Peter Beerwerth, Germany) held three rounds of consultations 11-13 June on Verification, Inspection Management and Operations, and International Cooperation and Assistance. Senior program directors (D-2 level) continued to air their differences with management decisions not to include their full requests in the draft budget.

- 110. India has approached the facilitator to say that they have problems with the increase in OCPF ("Other Chemical Production Facilities") inspections under Article VI.
 111. The facilitator will hold one more round of consultations, on 1 July, to cover Administration and any other outstanding issues such as the Indian complaint. Consultations will not resume until the end of August.
- 112. Del has been joined by others (South Africa, Iran, Japan, Germany, France, the UK, Canada, Spain, Austria) in asking for language in the budget document to justify unfreezing four additional positions, and to elaborate on what activities would be carried out in key areas such as External Relations' outreach for universality and International Cooperation and Assistance. There is virtually no language at all in the current budget document in these respects. The new Deputy Director General, Brian Hawtin, has now heard these pleas and acknowledged the requests. The Director for External Relations handed out a non-paper with additional justifications, but it is unclear if his rationales were cleared within the Technical Secretariat.
- ¶13. With respect to the request to unfreeze a P-3 position in the Legal Office, Del recommends we tell the Director General to reassign qualified staff already on board to meet the very considerable demand for additional legislative implementation support. Talented German national Ralf Trapp who supported the RevCon documents preparation, and Canadian Gordon Vachon who currently fills an unneeded Inspectorate post unfrozen by the former Director General so as to give Vachon a job, are natural candidates.
- 114. The Director for International Cooperation and Assistance confirmed that the Director General found an additional 336,000 euros for ICA programs, as promised at the last annual Conference, and these are being spent. The additional funds came entirely from keeping posts vacant. The draft budget contains a general unsubstantiated statement that funding for ICA remains inadequate. The director added orally that for 2004 "we have practically taken a step backward in terms of what we can do."
- 115. India and Iran spoke to insist that the percentage increase in the ICA budget exactly match the overall budget percentage increase in 2004.
- 116. DDG Brian Hawtin appealed to delegations to avoid micro-management and to lift constraints under the current system that do not contribute to effective use of resources, such as the constraints on transfers between Chapter 1 (Verification) and Chapter 2 (Administration), and constraints on regrading or shifting posts. He referred to broader structural problems such as the lag in Article IV/V reimbursements because of the uncertainty about when this money is going to come in.
- 117. Switzerland, Denmark, the Netherlands, Portugal and Germany all told WEOG that their capitals would have great difficulty agreeing to the proposed budget. Germany points out that the almost 9 percent increase includes three percent just to fund turnover in implementation of the decision to begin enforcing a non-career organization.

ABAF

- 118. The session from 9-13 June was hampered by:
- -- a preponderance of non-experts on the board;
- -- a draft budget document devoid of justifications, descriptions of real program activity, and 2003 actual figures; and
- -- a Technical Secretariat notetaker incapable of writing comprehensible English for the draft report.
- 119. The UK and the Netherlands did not send experts, and Germany, Japan and Italy were represented by non-expert delegates. Washington might consider approaches to these capitals to urge that they support ABAF by providing qualified financial experts capable of straightening out the disarray that continues to characterize the OPCW's budget process.

 120. The Director General made a strong pitch to ABAF to fur
- 120. The Director General made a strong pitch to ABAF to fund consultants to enable him to "further the universal geographic distribution of staff". The Argentine delegate as said that because the CWC is a security treaty, "major" countries are pressuring the Director General to use such consultants to remedy what they see as under-representation by their countries among the senior staff of the TS.

- 121. The Executive Council's Counter Terrorism Working Group, under the chairmanship of Deloff, met on 12 June to hear a report from Special Projects Director Sergei Batsanov on his trip to the Security Council's Counter Terrorism Committee New York on 15 May. It also heard a report on a meeting of the Southeast European Cooperative Initiative (SECI) attended by Irakli Beridze of Batsanov's staff, and discussed the way forward in implementing the action plans on universality and implementation of Article VII tasked to the TS and Executive Council at the Review Conference.
- 122. In his presentation, Batsanov said little that was not covered in Reftel. Beridze reported that SECI, a regional organization dedicated to combating trans-border crime (Albania, Bosnia and Herzgovina, Bulgaria, Croatia, Greece, Hungary, FRY of Macedonia, Moldova, Romania, Slovenia, Serbia and Montenegro, and Turkey) had created an anti-terrorism sub-group. Beridze's pitch focused on legal compliance. He passed out to the Working Group a draft report of a SECI WMD subgroup that had an item calling on member states to focus on "harmonizing/ developing their legislation with the EU and international legal framework in force, applicable to NBC issues, on civil and penal aspects."
- 123. Delegations took note of the need for action plans on universality and legal implementation. The chair raised the question of whether pursuit of those issues might be taken up under a different facilitation, but no delegates expressed particular interest in taking the EC's action on the issue elsewhere. The chair at the end asked the TS to provide its thoughts on an action plan to the Working Group.
- 124. The chairman of the working group will seek to place the counter terrorism issue on the agenda for EC-33 either as a separate item or under "Any Other Business." This will allow the Council to task the Counterterrorism Working Group to develop an action plan for both items in close consultation with the TS. Del understands that the TS will offer its thoughts on an action plan in the DG's statement to the EC. Del also understands that the TS is giving careful consideration to sending small teams comprised of TS staff to selected countries in the greatest need of assistance on compliance issues such as Article VII as well as Article VI.
- 125. The Working Group is likely to meet again in mid-July to review the action plans and make a recommendation on them to the September Executive Council Session (EC-34). Del would welcome Washington thoughts on specifics for an action plan that would involve the capabilities of the TS and member states.

Libya Inching Toward Ratification

126. OPCW special projects director Sergei Batsanov advised Del on 12 June that he had just met with the Libyan charge in The Hague who told him that the Libyan parliament had passed the necessary measures to allow Libya to join the CWC. The next step, according to the Libyan charge, is to send the paper work to the FM. It would take about a month, he said, to complete the necessary paper work before they file papers to join.

127. Kellogg sends. SOBEL